



CITY OF
TUCSON
STEVE KOZACHIK
COUNCIL MEMBER

June 13, 2011

State Senator Al Melvin
Senate
1700 W. Washington
Room 303
Phoenix, AZ 85007

To Senator Al Melvin:

On December 14, 2010, you gentlemen penned a letter to the Rio Nuevo Multipurpose Facilities District Board and affirmed that it is serving as an "Agent of the State of Arizona," having been appointed by members of the State House of Representatives, State Senate and the Governor's Office. State Representative Proud was also signatory to that letter, but as she had not yet been sworn into office for the first time, I am not including her in this request.

In that letter you asserted your control over the Board by instructing them to refrain from signing a settlement agreement with the City of Tucson, pending a "probe" into the history of Rio Nuevo that was to be initiated by the State Attorney General. The level of authority you claimed was both unambiguous and complete, as was made clear in your telling the Board that such a settlement "should not occur."

In your roles as State legislators, each of you has championed the need to support the private sector as we work together to grow our way out of the recession. I join you in that effort. To that end, I bring to your attention the plight of nearly two dozen local businesses who performed work for the Rio Nuevo Multipurpose Facilities District, under contract with Turner/Sundt and Garfield Traub on the new East Entry to the Tucson Convention Center. That work took place well over a year ago and I have identified in excess of \$300,000 in bills due to local subcontractors that need to be paid. I am certain you are aware of the inequity when a major Corporation such as Turner/Sundt or Garfield Traub hold hostage small local vendors while contending close-out issues with your State appointed Agent, the Rio Nuevo Board.

I am sending this letter to each of you asking that you exert the same level of authority and control that you did in your December letter to the Board and instruct them to make each of the subcontractors in question whole for the work they performed on the East Entry project. The District has sufficient funds to hire attorneys, fund Title Searches, and are now in negotiations with a candidate for Executive Director. Tax Increment Finance receipts are increasing monthly. The Board has the money to pay these subcontractors. It now needs you to give them the will to do so and to sort out with Turner/Sundt and Garfield Traub the legalities on their own dime.

I appreciate your prompt attention to this matter. These businesses have been waiting for a resolution to this for far too long.

Sincerely,



Steve Kozachik
Council Member, Ward 6
City of Tucson

c: State Senator Frank Antenori
 State Representative David Gowan
 State Representative Ted Vogt
 State Representative Vic Williams